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PROPOSED FUNDING FOR EXPANSION OF THE DEMAND DRIVEN SYSTEM

The Regional Universities Network (RUN) strongly believes that the continuation of the demand driven student system for bachelor degrees and expanding it to sub-bachelor degrees is important for regional Australian economies and communities. RUN also believes that the inequities in the distribution of postgraduate places must be addressed.

In an opinion piece published today in the Australian Financial Review, the Chair of RUN, Professor Peter Lee, called for regional economies to diversify, the uncapping of some tuition fees, new ways to recover HECS debt, further analysing the securitisation of HECS debt, and redirection of some of the participation component of the Higher Education Partnership and Participation funding.

“For many regions, continued reliance on one industry or one employer makes entire communities vulnerable to decisions beyond their control.

“Trained professionals are constantly needed to work across regional Australia and this will continue. It is important for the nation that regional Australia – and regional Australians – can fully participate in the modern economy. To achieve this, we have to overcome the current situation whereby only half the number of Australians in regional Australia have a degree compared to those in capital cities.”

Professor Lee said that while mentoring and support of students who were enrolled in bachelor courses helps them succeed, many students would benefit from a place in a sub-degree course.

“More sub-degree pathways would go some way to diffusing the debate about school leavers directly entering full bachelor-level studies with low ATARS. Redirecting some participation funding could help support the expansion of the demand driven system to sub-bachelor places.

“The current allocation of Commonwealth supported postgraduate places must also be addressed. The current allocation of these places is a function of historic circumstance and lacks transparency and coherence. RUN considers that the outcome should deliver any additional places to areas of specific skills needs and student demand relevant to regional Australia,” Professor Lee said.

Professor Lee said RUN supported the option for universities to forgo Commonwealth Supported Places and uncap tuition fees on a course by course basis.

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“By providing savings, the option would assist in continued funding of the demand driven student system, extending it to sub-degrees and addressing issues around Commonwealth supported postgraduate coursework places. Students in fee-paying courses would still have access to HELP loans,” Professor Lee said.

“Given the Government’s fiscal challenges, there are other initiatives that may be worth exploring further, such as recovering HECS-debt from Australians living overseas and from estates of the deceased, subject to any analysis of the cost and complexity of implementation.

“We are aware that the securitisation of the HECS debt has also been mooted as a potential revenue-raising measure. While the analysis to date has indicated some caveats about this proposal, it still may be worth analysing further before definitive conclusions can be reached.

“With these measure enacted, we believe the demand driven system can be enhanced, sustainable and provide equitable opportunities for those living in regional Australia.”

To read the full opinion piece, see http://www.run.edu.au/cb_pages/news/Demand_driven_opinion.php

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